GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1041
ANSWERED ON:27.07.2001
LESS PRICE OF IMPORTED GOODS
SUNIL KHAN

Will the Minister of FINANCE be pleased to state:

(a) whether the import duties on several imported goods are less than the excise duty levied on domestic products;

(b) if so, the reasons therefor; and

(c) the steps taken by the Government to remove the anomaly?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE, DEPARTMENT OF REVENUE (SHRI GINGEE N RAMCHANDRAN)

(a) Generally speaking, the imported goods are subjected to basic customs duty, additional duty of customs and special additional duty. The rate of additional duty of customs is normally equivalent to the rate of excise duty levied on the like product manufactured in India. Therefore, in general, total import duties on imported goods are in excess of the excise duty levied on the domestic products.

(b) and (c) Does not arise in view of (a) above.